14 January 1963

## MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with Secretaries Gilpatric and Vance at lunch this date

Earlier in the day Secretary McNamara had advised me that Deputy Secretary Vance would assume all responsibility of DoD/CIA relationships, Special Group activities, etc. heretofore handled by Gilpatric.

Gilpatric explained in detail the background of the formation of NRO, the problems that we have encountered, the successes and failures of the satellite reconnaissance effort, the need for using the special skills of CIA and the resources of the Air Force and finally the Fubini memorandum of January 13. He said that the plan outlined by Fubini seemed logical, that CIA's special skills rested in imaginative development, that once a system was developed and operating it could be handled as a routine operation by Air Force fulfilling requirements and schedules established and approved by USIB upon recommendation of COMOR, that he felt Air Force desire to engage in development should be respected and they should pursue the perfection of and ultimately the improvement of the GAMBIT, and while all this was good he had not discussed the subject with McMillan. However he stated that the plan provided for the utilization of the special resources of both organizations.

McCone stated that he agreed, he traced for Vance's information the background of U-2 development, CORONA development and now OXCART, he reviewed the "philosophical" approach to reconnaissance traditional with the Air Force which contrasted sharply with the needs of the intelligence community, finally that he felt that a plan such as that covered by the Fubini memorandum was O.K. if we really adhere to it, provided appropriate funding and gave the whole NRO effort proper direction at the level of SecDef (or Deputy SecDef) and DCI. McCone raised the question of Under Secretary of the Air Force running a line organization, expressed preference for a civilian in the position of Under Secretary of the Air Force or Assistant Secretary of Defense with a small staff for planning, programming, budget review, etc., with actual physical operations of a more or less routine nature being handled by an Air Force command. McCone pointed out that McMillan was leaving and this would present a problem. 7

All agreed the approach was reasonable, that many details had to be worked out, no decisions were sought or made, and the subject would be further discussed.

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Reviewed briefly the North Vietnam operations (with Secretary McNamara joining us) and I recommended that the decision as to who would be in charge should be resolved by the Secretary and myself, and should not be put up to the Ambassador and the Country Team. We briefly reviewed for Secretary Vance the scope of the operations since he will be dealing with the subject regularly in the Special Group meetings in the future. Secretary McNamara agreed, in a subsequent telephone call, to have draft instructions prepared and coordinated with State and the White House after securing CIA's approval.

Gilpatric explained the details of the Cuban operation to Vance who was quite familiar with them because of his work on the Cuban Task Force. I stated that President Johnson had ordered all special operations withheld pending a thorough review of the Cuban policy, and that Mr. Bundy said this review should be made the first week in February because of his and my absence from the city during the last two weeks of January. Vance felt this was too late, that we should review the policy and determine the future course at once. I said this was perfectly satisfactory with me. General Carter, supported by Messrs. Helms and FitzGerald, knew all about it, were thoroughly familiar with my views and were empowered to discuss policy from CIA's point of view.

JAM:mcm

6 February 1964

## MEMORANDUM FOR THE RECORD

SUBJECT: Discussion with Secretary Rusk at Luncheon, 6 February, 12:45 - 2:30 p.m.

- 1. General discussion of relations with the President. The Secretary felt that he was preoccupied with many problems, such as Congressional relations, press relations, election, etc. The Secretary is taking more responsibility than he did under Kennedy. A great many matters are being settled at Rusk's desk and not referred to the White House. Rusk generally concerned over Administration management technique, agreed that we are still in a shakedown period. He felt the President was working very hard -- perhaps too hard, but effectiveness and method of administering office is not yet fully developed.
- Cuba. After reviewing the situation I stated that I was not at all satisfied with our policy with respect to Cuba. I was convinced that Castro had turned the corner and would very probably grow stronger as he improved his economic situation and gained popularity. I stated that I felt he had passed the low point and barring unforeseen economic or political problems would improve in his image and in his acceptance in the future. Therefore, we could expect more provocation in Panama, Venezuela, and practically all other Latin American States. I said that I was in disagreement with the paper which had been prepared by the Crimmins Committee, which was being considered by Secretary Mann today, because it outlined and overstated Castro's difficulties and outlined a plan of action which would not overthrow Castro or for that matter cause him unacceptable hardships. Furthermore, many of the actions would give Castro a good propaganda platform. I stated that Castro had passed the point of no return, as far as I was concerned, and that he was conducting himself in a manner and carrying out provocative acts which had been declared by President Kennedy, President Johnson (when he was Vice President) and Secretary Rusk himself as being totally unacceptable to the United States. I therefore felt that all prohibitions and self-imposed restraints, such as the use of American territory for training of personnel, launching of provocative

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acts, etc., could be declared void. Threfore, I concluded we had one of two courses to follow: either we move in on Castro in the most aggressive possible way, accept attribution and destroy him by acts of violence short of war or including war if necessary, or, as an alternative, live with him in the hope that providence might take care of the situation. I stated that I felt the latter was a big gamble and the prospects were that Castro would grow stronger and as he did so he would cause increasing trouble in all Latin American countries. In urging dynamic action I stated that, in my opinion, we should advise Khrushchev in advance, advise Castro in advance, and let the public know what we had in mind.

The Secretary was passed a note that the water had been cut off in Guantanamo. After a telephone conversation with McNamara it was determined that an adequate water supply was on hand, more could be supplied by ship and the 3,000 Cuban employees in Guantanamo could be replaced. I suggested that we refuse admittance to Guantanamo of all Cuban employees.

ACTION: NRO should immediately order continual U-2 surveillance of the Guantanamo area.

Panama. Reviewed with the Secretary the clandestine reports of February 4th and 5th, indicating Communist operations. Restated the statement that the world opinion was thoroughly convinced that the United States actually invaded Panama, killing Panamanians, etc. Stated that I could not understand the reluctance on the part of the President and Rusk to admit participation of Castro Communists in the Panama situation. Rusk expressed surprise, stating that he had in a speech made reference to this participation. I stated that the Crimmins paper was today being modified on State Department's orders to eliminate such references. Rusk said he hoped to get Chiari to the conference table before Castro's participation was fully publicized. I asked if Chiari really knew what was happening to him and read statements from the February 5th clandestine reports.

ACTION: Rusk suggested that I explore the advantages of briefing Chiari on the growing Communist threat to his country. Rusk had no other suggestions. 7

4. South Vietnam: Advised Rusk that I felt the situation was most serious, the government was very fragile, that there was little meaningful reporting from the Embassy, MACV, or the Station. There was no evidence of Country Team operation and increased evidence of Viet Cong activities and victories. The Secretary had no particular program in mind.

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6. Reviewed the Ghana situation briefly. Concurred in the withdrawal of our Ambassador. Objected to the appointment of Edgar Kaiser as a government emissary because of conflict of interest. I pointed out that Kaiser would wish to "patch up things" because of his contract in Ghana. Advised Rusk that I felt the Congress or the American public would not be happy with our commitments of \$200 odd million to the Ghana enterprise and have them tearing up the American flag and discrediting our intentions. Rusk thought that we might tell Kaiser that his projects were down the drain because of Nkrumah's attitude and let him move in on Nkrumah in order to save his own enterprises. This matter was left in a tentative status.

Rusk then raised the question of the ability of General Nkrah to take over the government. I advised that the General, in our opinion, was well respected in Ghana, but not inclined to accept responsibility.

ACTION: Rusk asked that I explore this prospect fully and report to him.

7. Cyprus. The Secretary expressed concern over the danger of placing U.S. troops in Cyprus in fear they will be singled out by violent mobs and a serious situation would result. He asked our appraisal of the consequences of U.S. troops joining the NATO forces and the prospects of the dangerous situation developing.

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ACTION: We should prepare an opinion for Rusk on this matter promptly.

8. Rusk raised the question of DIA briefing reserve officers in Congress. He expressed great bitterness and said he was prepared to issue an order that no State Department communications go to DIA because he had learned that many very sensitive cables had been read at DIA briefings to selected members of Congress. The Secretary felt so strongly that if this practice was not stopped he would tender his resignation. I urged him to take no action until I had discussed the matter at USIB because I had been concerned over the same problem but I thought USIB was the proper facility to restrain this activity by DIA.

9. Discussed sensitive problem with Foreign Minister Bhutto in Pakistan which I agreed to talk over with Critchfield and report to the Secretary.

JAM:mcm